

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 194151

53

ORIGIN EB-07

INFO OCT-01 EA-07 ISO-00 L-03 AGR-05 CIAE-00 COME-00

INR-07 LAB-04 NSAE-00 SP-02 STR-04 TRSE-00 CIEP-01

FRB-03 OMB-01 /045 R

DRAFTED BY EB/FTD:SFOUTS:CSH

APPROVED BY EB/FTD:SFOUTS

COMMERCE:EGOTTFRIED

LABOR:EHABBERTON

EA/PFCM:MVONBRIESEN (INFO)

STR:MBSMITH (INFO)

----- 019917

R 051642Z AUG 76

FM SECSTATE WASHDC

TO AMCONSUL HONG KONG

INFO AMEMBASSY SEOUL

LIMITED OFFICIAL USE STATE 194151

E.O. 11652: N/A

TAGS: ETRD, HK

SUBJECT: BILATERAL TEXTILE AGREEMENT

SEOUL - PASS TEXTILE DELEGATION

1. U.S. TEXTILE OFFICIALS MET WITH HERMANN OF BRITISH
EMBASSY ON AUGUST 3 TO CONTINUE CONSULTATIONS ON CATEGORY
120 SUITS.

2. DURING EARLIER TALKS, HERMANN STATED HONG KONG'S
POSITION THAT THERE WAS NO BASIS FOR RESTRAINT, PRINCIPALLY
BECAUSE OF HONG KONG'S SMALL SHARE OF THE MARKET AND THE
EXISTENCE OF MUCH LARGER, UNCONTROLLED SUPPLIERS OF WOOL
SUITS TO THE U.S. MARKET (THE EC, PARTICULARLY FRANCE).

3. HEAD U.S. DEL NOTED THAT HONG KONG CATEGORY 120 EXPORTS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 194151

TO U.S. IN PAST YEAR HAD GROWN SUBSTANTIALLY FASTER THAN

OTHER SUPPLIERS, AND THAT THIS GROWTH RATE WAS ELEMENT WHICH WAS OF PARTICULAR CONCERN TO U.S. HE NOTED THAT WE INTENDED TO DISCUSS SUIT EXPORTS WITH EC AND OTHER UNCONTROLLED SUPPLIERS; HE ALSO NOTED THAT EQUITY OF TREATMENT DID NOT IMPLY THAT ALL SUPPLIERS SHOULD BE ALLOWED TO SHIP THE SAME AMOUNT. U.S. AGREED TO CONSIDER HONG KONG'S POSITION AND MEET AGAIN.

4. AT AUGUST 3 MEETING, HEAD U.S. DEL STATED THAT U.S. MAINTAINS VIEW THAT MARKET DISRUPTION EXISTS IN DOMESTIC WOOL SUIT INDUSTRY AND THAT WE THEREFORE MUST REQUEST HONG KONG TO LIMIT EXPORTS. HE STATED THAT LIMIT WOULD BE 59,131 UNITS (NUMBER OF EA'S ALREADY ISSUED) WHICH WAS THE ONLY NUMBER NOW ON THE TABLE. HEAD U.S. DEL EMPHASIZED THAT CHANNELS OF COMMUNICATION REMAIN OPEN FOR FURTHER TALKS WITH HKG.

5. HERMANN STATED THAT HKG WOULD COMPLY WITH IMPOSITION OF LIMIT AS PROVIDED IN PARAGRAPH 8E OF BILATERAL AGREEMENT, BUT RESERVED ITS RIGHTS TO TAKE MATTER TO TSB, AS PROVIDED IN PARAGRAPH 8F OF AGREEMENT. HEAD U.S. DEL NOTED RESERVATION, AND ALSO NOTED THAT HONG KONG WAS ONLY RESERVING RIGHT TO GO TO TSB, NOT NOTIFYING USG OF ITS INTENTION TO DO SO. (HERMANN STATED THAT HIS PERSONAL OPINION WAS THAT HKG WOULD TAKE ISSUE TO TSB.)

6. U.S. REQUESTED THAT HKG CEASE ISSUANCE OF EA'S IN CATEGORY 39, COTTON GLOVES AND MITTENS, AND ENTER INTO CONSULTATIONS ON THIS CATEGORY. HEAD U.S. DEL STATED THAT RAPID INCREASE IN IMPORTS POSED THREAT OF DISRUPTION IN U.S. MARKET, AND NOTED THAT HONG KONG EA'S APPROVED THROUGH THE END OF JUNE WERE DOUBLE HONG KONG EXPORTS TO U.S. IN THAT CATEGORY FOR THE LAST AGREEMENT YEAR; HE ALSO NOTED THAT HONG KONG SUPPLIED NEARLY 50 PERCENT OF TOTAL U.S. CATEGORY 39 IMPORTS. MARKET STATEMENT SUPPORTING U.S. POSITION WAS SUPPLIED TO HERMANN. (COPY BEING FORWARDED TO POST) HERMANN STATED HE WOULD REPORT REQUEST TO HKG. HABIB

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILES, AGREEMENTS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 05 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE194151
Document Source: CORE
Document Unique ID: 00
Drafter: SFOUTS:CSH
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760302-0505
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760882/aaaacutw.tel
Line Count: 98
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 24 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 MAY 2004 by BoyleJA>; APPROVED <17 SEP 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BILATERAL TEXTILE AGREEMENT SEOUL - PASS TEXTILE DELEGATION
TAGS: ETRD, HK, US
To: HONG KONG
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006